No. 18-302

In the Supreme Court of the United States

ANDREI IANCU, UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY AND DIRECTOR, UNITED STATES PATENT AND TRADEMARK OFFICE, PETITIONER

v.

ERIK BRUNETTI

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

REPLY BRIEF FOR THE PETITIONER

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The court of appeals held that the ban on registration of immoral or scandalous trademarks in 15 U.S.C. 1052(a), which has guided federal registration decisions for 113 years, is unconstitutional under the Free Speech Clause of the First Amendment to the Constitution. If uncorrected, that decision will effectively preclude the United States Patent and Trademark Office (USPTO) from enforcing Section 1052(a)'s scandalous-marks provision against any applicant for trademark registration. The court of appeals' facial invalidation of an Act of Congress warrants this Court's review.

Although respondent defends the court of appeals' judgment, he agrees that this Court should grant certiorari to review the court of appeals' First Amendment holding. Respondent proposes that the Court also con-

sider whether the ban on federal registration of scandalous marks is unconstitutionally vague under the First and Fifth Amendments. The court of appeals did not address that contention, and no court has endorsed it. The government agrees, however, that if the Court grants review on the question presented in the petition, it should also consider that related question so that the constitutional validity of the scandalous-marks provision can be definitively resolved.

A. The Court Should Review The Court Of Appeals' Decision Invalidating Section 1052(a)'s Scandalous-Marks Provision

The court of appeals held that the scandalous-marks provision in 15 U.S.C. 1052(a) is invalid in all of its applications. See Pet. App. 46a. Respondent agrees (Br. 1-3) that the Court should review that holding. The question presented is "of great importance to the [g]overnment, other trademark owners, the public, and to [respondent]," Resp. Br. 1, and the USPTO has suspended action on trademark-registration applications implicating Section 1052(a)'s scandalous-marks provision while the government seeks review in this Court, Pet. 25.

Respondent argues (Br. 5-16) that the scandalous-marks provision, like the trademark provision that this Court held invalid in *Matal* v. *Tam*, 137 S. Ct. 1744 (2017), constitutes impermissible viewpoint-based regulation of speech. As the petition for certiorari explains, however, Section 1052(a) is not a regulation of speech at all. The provision does not forbid or restrict respondent's use of any type of speech. Pet. 16-18; see *In re Boulevard Entm't, Inc.*, 334 F.3d 1336, 1343 (Fed. Cir. 2003) ("[T]he refusal to register a mark does not proscribe any conduct or suppress any form of expression

because it does not affect the applicant's right to use the mark in question."). Respondent may use any vulgar term he wishes to identify his goods in commerce, and he may seek to enforce his vulgar mark under the Lanham Act, 15 U.S.C. 1051 *et seq.*, against others he believes have misappropriated any goodwill associated with it. Respondent simply may not enjoy the additional benefits that federal registration confers with respect to the vulgar mark at issue in this case.

While the same was true of the trademark-registration applicant in *Tam*, both of the lead opinions in *Tam* relied at least in part on the conclusion that Section 1052(a)'s ban on registration of "disparag[ing]" trademarks discriminated on the basis of viewpoint. See *Tam*, 137 S. Ct. at 1763 (Alito, J.); *id.* at 1766 (Kennedy, J.). The court below did not find that the scandalous-marks provision imposes such viewpoint discrimination. See Pet. App. 14a. Contrary to respondent's suggestion (Br. 11-12), this Court in *Cohen* v. *California*, 403 U.S. 15 (1971), did not hold that differential treatment of vulgar or profane speech discriminates on the basis of viewpoint. Rather, the Court concluded only that the criminal conviction at issue in that case rested on the "content of individual expression." *Id.* at 24. Indeed, even in the passage on which respondent relies, the *Cohen* Court recognized that the vulgarity of the defendant's words was unconnected to any "idea[]" he might have wished to convey. *Id.* at 26.

B. If This Court Grants Certiorari On The Question Presented In The Petition, It Should Consider As Well Whether Section 1052(a)'s Scandalous-Marks Provision Is Unconstitutionally Vague

Respondent contends (Br. 17) that Section 1052(a)'s scandalous-marks provision is unconstitutionally vague,

and that the Court should consider that challenge in addition to the question presented in the petition for a writ of certiorari. Respondent's vagueness challenge lacks merit, and neither the court below nor any other court has endorsed it. The government agrees, however, that if the Court grants certiorari to review the court of appeals' First Amendment holding, it should also consider the vagueness question so that the constitutionality of the scandalous-marks provision can be definitively resolved.

1. The scandalous-marks provision is not unconstitutionally vague. Section 1052(a) does not prohibit speech or impose any civil or criminal penalties, but simply precludes the federal government from providing a specified form of assistance to marks that contain scandalous terms. See Pet. 16-18. When a statute neither prohibits nor penalizes speech, but simply confers benefits on speakers whose expression satisfies certain criteria, the vagueness standard is relaxed because there is less concern about chilling speech. See *National Endowment for the Arts* v. *Finley*, 524 U.S. 569, 588-589 (1998). Under that more lenient standard, the Court has upheld even criteria that are "undeniably opaque" because "in the context of selective subsidies," "the consequences of imprecision are not constitutionally severe." *Ibid.*; see *id.* at 599 (Scalia, J., concurring in the judgment) ("Insofar as it bears upon First Amendment concerns, the vagueness doctrine addresses the problems that arise from government *regulation* of expressive conduct, not government grant programs.") (citation omitted). The scandalous-marks provision raises no vagueness concerns under that standard.

Contrary to respondent's contention (Br. 17), the USPTO relies on an objective standard to determine whether registration of a particular mark is prohibited

by the scandalous-marks provision. The USPTO does not allow individual examiners to rely on their own subjective views, but rather directs them to consider whether record evidence establishes that a "'substantial composite of the general public' would find the mark scandalous." Pet. App. 3a (quoting *In re Fox*, 702 F.3d 633, 635 (Fed. Cir. 2012)). Although respondent asserts (Br. 17) that this standard is arbitrarily enforced, analysis of whether a mark is scandalous requires consideration of the mark's meaning in relation to the particular goods and services for which registration is sought and the context in which the mark is used. See *Fox*, 702 F.3d at 635. Any superficial similarities between marks for which registration was granted and those for which it was denied therefore do not establish that the USPTO has erred in treating different marks differently.

In any event, the USPTO examines more than 400,000 trademark-registration applications each year. If an individual USPTO employee erroneously allows a mark to be registered, or erroneously refuses registration, "such errors do not bind the USPTO to improperly register" or refuse to register similar marks in the future. *In re Shinnecock Smoke Shop*, 571 F.3d 1171, 1174 (Fed. Cir. 2009), cert. denied, 558 U.S. 1149 (2010). Congress has authorized administrative and judicial review to ensure that such errors may be corrected, see 15 U.S.C. 1070, 1071, and if they are not, Congress has authorized cancellation of erroneous registrations "[a]t any time," 15 U.S.C. 1064(3). Those provisions reflect Congress's recognition that registration errors occasionally occur. Thus, even if respondent could identify a clear inconsistency between particular registration decisions, there would be no sound basis for concluding

that the scandalous-marks provision is incapable of principled application.

2. Although respondent's vagueness challenge to the scandalous-marks provision lacks merit, the government agrees that the Court should consider that issue if it grants review on the question presented in the certiorari petition. The Federal Circuit has expressed "concerns about the [scandalous-marks] provision's vagueness." Pet. App. 40a n.6. And although this Court "is 'a court of review, not of first view,'" *Byrd* v. *United States*, 138 S. Ct. 1518, 1527 (2018) (citation omitted), the question whether the scandalous-marks provision is an unconstitutionally vague restriction on speech is closely related to the question whether the provision regulates speech at all. This Court's consideration of respondent's vagueness challenge would ensure that the constitutionality of Section 1052(a)'s scandalous-marks provision can be definitively resolved.*

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* Respondent also suggests (Br. 3-5) that this case would present an opportunity for this Court to consider more abstractly how the analysis of fractured decisions under *Marks* v. *United States*, 430 U.S. 188 (1977), should be conducted. When the Court has previously reviewed a dispute about the application of *Marks* to a fractured prior decision, however, it has simply revisited the underlying question addressed in that decision rather than "pursu[ing] the *Marks* inquiry to the utmost logical possibility." *Nichols* v. *United States*, 511 U.S. 738, 746 (1994); see, *e.g.*, *Hughes* v. *United States*, 138 S. Ct. 1765, 1772 (2018); *Grutter* v. *Bollinger*, 539 U.S. 306, 325 (2003). In any event, respondent does not suggest that the Court would need to add an additional question to engage in *Marks* analysis.

* * * * *

For the foregoing reasons and those stated in the petition for a writ of certiorari, the petition should be granted. In addition, if the Court grants review on the question presented in the petition, the Court should also grant review on the question whether Section 1052(a)'s ban on federal registration of scandalous trademarks is unconstitutionally vague.

Respectfully submitted.

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